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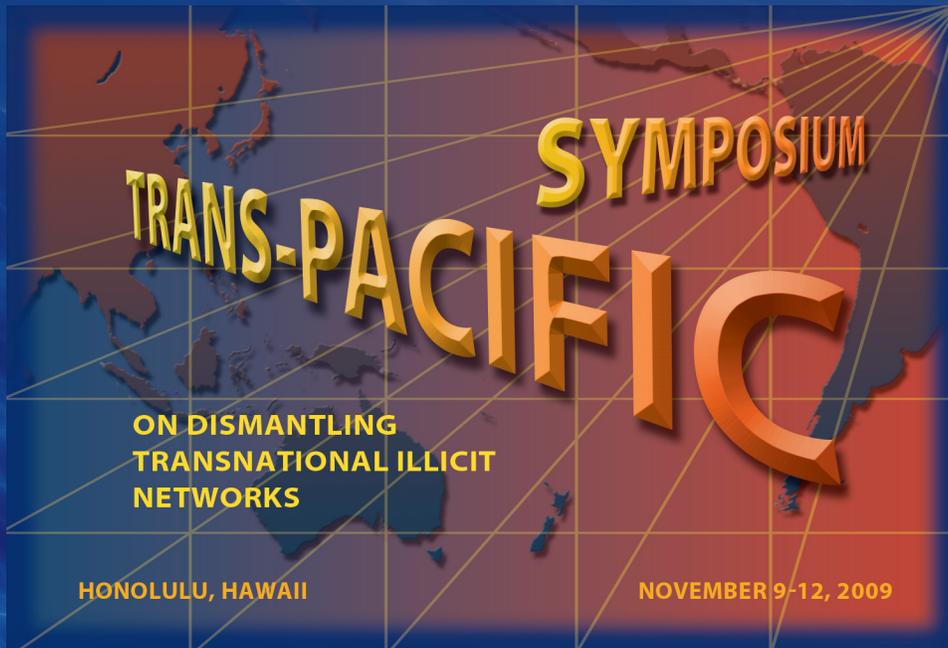


U.S. Immigration  
and Customs  
Enforcement

# **CHAIR'S REPORT:**

## **TRANS-PACIFIC SYMPOSIUM**

### **ON DISMANTLING TRANSNATIONAL ILLICIT NETWORKS**



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**HONOLULU, HAWAII  
NOVEMBER 9-12, 2009**

**CHAIR'S REPORT**  
**TRANS-PACIFIC SYMPOSIUM ON**  
**DISMANTLING TRANSNATIONAL ILLICIT NETWORKS**  
**Honolulu, Hawaii**  
**November 9-12, 2009**

*"In recent years, the world has seen a convergence of transnational threats and networks, which are more dangerous and destabilizing than ever. These threats and networks are becoming more fluid and sophisticated; are able to cross borders; and involve elements of international organized crime, particularly illicit finance and trafficking in drugs, arms and persons. This can undermine stability and security, fuel violence and corruption, weaken the rule of law, and subvert legitimate economies. Addressing these 21<sup>st</sup> century transnational threats is an important priority of the United States."*

**President Barack Obama, Message delivered at the Opening of the Trans-Pacific Symposium, Honolulu, Hawaii, November 9, 2009**

EXECUTIVE SUMMARY

The U.S. Immigration and Customs Enforcement (ICE), U.S. Department of Homeland Security, and the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) co-hosted an international symposium on November 9-12, 2009, in Honolulu, Hawaii. In attendance, were participants from approximately 25 economies from Asia, Latin America, and the Pacific Islands, as well as senior representatives from international organizations such as the Asia Pacific Economic Cooperation (APEC), the Organization of American States (OAS), the Asia Pacific Group on Money-Laundering, INTERPOL, and the United Nations Office on Drugs and Crime (UNODC).

The United States was represented by senior officials of the following agencies, law enforcement offices, and commands: U.S. Departments of Homeland Security, Justice, The Treasury, State and Defense; ICE; Federal Bureau of Investigation (FBI); Customs and Border Protection (CBP); Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); Drug Enforcement Administration (DEA); Organized Crime and Racketeering Section; Computer Crime & Intellectual Property Section (CCIPS); Office of Foreign Assets Control (OFAC); Human Smuggling and Trafficking Center (HSTC); Bureau of Diplomatic Service; U.S. Pacific Command; Joint Interagency Task Force West (JIATF-West); and the Joint Interagency Task Force South (JIATF-South). The Foreign Affairs, Defense and Trade Division of the Congressional Research Service (CRS), which serves the U.S. Congress

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throughout the legislative process by providing comprehensive and reliable legislative research, was also present.

The symposium initiated an inter-regional dialogue among senior law enforcement, security, and justice sector officials from the U.S. and international community to discuss the existing criminal threats networks and illicit networks facing jurisdictions across the Pacific and ways to leverage joint, combined, and multinational efforts to combat and dismantle threat networks that span Asia and Latin America. Participants focused on east-west and north-south cross-border crimes, and agreed to target illicit routes and nodes across the Pacific to more aggressively dismantle illicit networks.

Discussion included ways to enhance inter-regional law enforcement cooperation to combat transnational criminal activities such as arms, narcotics, and human smuggling/trafficking, money laundering, and corruption. Discussion also covered current and emerging threats, vulnerabilities and challenges, and opportunities for cooperation in investigations and intelligence sharing.

Certain thematic threads ran throughout the Symposium including ways and means for:

- Devising more strategic frameworks to combat transnational illicit networks
- Strengthening international cooperation and partnerships
- Enhancing intelligence and information-sharing arrangements
- Combating the illicit trade and tracking illicit financial flows
- Leveraging inter-regional and global law enforcement networks
- Developing innovative law enforcement capacities and training
- Adopting multi-disciplinary security, law enforcement, and governance approaches
- Securing borders and optimizing border controls
- Synchronizing strategies to target “money conduits” and corruption nodes

Additional specific recommendations can be found in **The Way Forward Section, pp. 38-40.**

### **Threat Convergence: The Current Climate and Emerging Threats**

Transnational crime and corruption threaten many of our mutually-shared interests globally. They undermine security and stability, the rule of law, core democratic values, poverty alleviation efforts, and the creation of a level playing field for lawful business activities. Corrupt practices contribute to the spread of organized crime and terrorism, weaken government and market institutions, cast shadows of lawlessness that erode the public trust, and destabilize entire communities and economies. Unmitigated and without strong cooperative law enforcement partnerships, transnational criminal syndicates and networks will continue to undermine the stability and security of all nations through their illicit enterprises.

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Behind the supply of illicit goods and services is often a web of international organized crime and corruption. Although a criminal syndicate or network may specialize in one aspect of criminal behavior, it is often involved in related crimes. For example, an arms trafficker may be paid in precious gems, drugs, commodities, or natural resources which are in turn sold. Subsequently, the proceeds are laundered and possibly channeled into the international financial system. The interwoven strands of such illicit and criminal transactions make it almost impossible to separate one from the other.

Law enforcement officials in the trans-Pacific region are increasingly encountering the growing sophistication of illicit organizations such as Asian organized criminal syndicates and Latin cartels and gangs. These groups demonstrate a global reach that corresponds with increasing levels of violence. Collectively, these enterprising illicit networks manipulate financial markets and smuggle billions of dollars of illegal goods into jurisdictions in Asia and the Americas. They foster insecurity, costing our economies jobs and tax revenue, endangering the welfare and safety of our families and communities, and effectively bypassing law enforcement countermeasures.

Although they are operationally local, such insecurity respects no borders and its spillover effects ripple across many regions. In weakly governed economies or fragile states, criminal groups and illicit power structures can subvert the remaining vestiges of law enforcement and security and help fuel widespread destabilization and insecurity. In many parts of the world, illicit actors will capitalize on lawlessness, chaos, political unrest, and economic turmoil to amass illicit wealth and create safe havens in ungoverned spaces. As criminal networks weaken law enforcement institutions, fragile states struggling to maintain the rule of law or provide basic services for their populations can not only foster corruption but can also become magnets for terrorist activities; hubs for trafficking in people, drugs, and weapons; and launching pads for exporting violence far beyond their borders. Environmental crimes such as, for example, illegal dumping of hazardous waste and materials, illegal fishing, illegal trade in wildlife, and illegal logging are also a growing concern. The confluence of illicit networks and corruption in an enabling environment could facilitate not only the movement of drugs, arms, stolen or pirated goods, and trafficked persons, but also smuggling of terrorists, weapons of mass destruction (WMDs), WMD materials, and other dangerous weapons and technologies that threaten global security. This trend is particularly powerful when taken in concert with the increasingly blurred line between certain terror groups and the criminal activities that fund them. For instance, organizations such as Hezbollah, Al-Qaeda, the Revolutionary Armed Forces of Colombia (FARC), the Taliban, the Kurdistan Worker's Party (PKK), have been known to engage in criminal enterprises for profit or to advance a terror agenda.

The broad impact of these crimes limits the ability of the international community to confront some of the threats to human security, such as extreme poverty, pandemic diseases, and climate change. As national coffers are plundered, law enforcement institutions are infiltrated and subverted, further encumbering poverty eradication, sustainable development, and security sector reform. A committed network of law enforcement and security officials must focus on the convergence of criminal activities at the critical nodes where illicit networks intersect, where corruption eases criminal transactions, and where illicit actors and their communities cross international borders.

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As outlined below, the challenges presented by these networks are vast but the international community is taking action. Fighting transnational illicit networks requires innovative threat mitigation responses, new security paradigms and strategies, new capabilities, enhanced capacity-building efforts, cooperative partnerships, and net-centric approaches to attacking, disrupting and dismantling these threats. Put simply, fighting networks with networks. Effective joint investigations and regional intelligence-based policing can help to expose the infrastructure of criminal organizations and the web of illicit conspiracies; unearth actionable information against networks engaged in illicit activities (and terrorist acts); lead to the recovery and forfeiture of ill-gotten assets; and support broad deterrence against a wide range of criminal activity.

A major theme of the symposium was determining *how* to fight transnational illicit networks with law enforcement networks. This entails creating inter-regional networks to develop broad, whole-of-government approaches to better understand illicit networks' architecture, routes, nodes, and subsequently exploit their vulnerabilities. Joint, combined and multinational law enforcement and security networks for combating transnational illicit networks require prompt, sustained, and synchronized intelligence-driven security and enforcement operations. Working together, the international community will be able to better anticipate and react to changes in the strategic environment and the adaptations and mutations of illicit networks. An inter-regional, highly- and neutrally- connected law enforcement network and "panoramic" intelligence-based system can marshal greater stealth, lethality, agility, and decisive action to paralyze, disrupt and dismantle criminal networks and the threats they present.

OPENING PLENARY: KEYNOTES

**During the first day’s plenary and panel sessions, keynote speakers provided strategic perspectives on the threats and interconnected ways that the threats are developing across the Pacific and outlining possible approaches for strengthening international cooperation.**

U.S. Attorney Florence Nakakuni, District of Hawaii, U.S. Department of Justice, welcomed all delegates to the symposium. U.S. Attorney Nakakuni pointed out how the impact of transnational criminal groups could be felt in Hawaii since the 1980s. Then, narcotics crimes dominated. Now, however, the criminal landscape is far more diverse and includes trafficking in persons, child exploitation, and pornography. U.S. Attorney Nakakuni stressed the importance of international cooperation to investigate and prosecute these crimes.

Ambassador David T. Johnson, Assistant Secretary of State, Bureau of International Narcotics and Law Enforcement Affairs, U.S. Department of State, read President Obama’s message (above) on the growing international concern over converging transnational illicit threats and networks and his support for global partnerships to combat these threats:

*Although no nation can solve these issues alone, working together, we— governments, multilateral institutions, and citizens—can disrupt, dismantle, and ultimately defeat these dangers to our common security.*

In his official remarks, Ambassador Johnson stated how the trend lines have changed vis-à-vis transnational crime and illicit networks across the Pacific. He highlighted how international organized criminal groups pose formidable challenges, including their ability to quickly adapt to today’s globalized economy and how they remain cutting-edge organizations—sophisticated, well-funded, committed, and violent:

*Their weapons and other equipment—communications, encryption, and surveillance—are often better than the equipment available to law enforcement officials charged with bringing them to justice. These criminal groups also are increasingly expert at seeking out safe-havens where they can live and operate without interference from the law, effectively co-opting the host government.*

From South and Central America to Southeast Asia, converging criminal networks are directly cooperating with each other to advance their illicit enterprises. Ambassador Johnson emphasized, for example, that in the crime-terror nexus, “international crime networks provide specialized services to terrorists – such as weapons or facilitating illicit travel – in exchange for payment. The interwoven strands of criminal transactions make it nearly impossible to target

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these threats in isolation.” He also noted that the cross-border threats discussed in Honolulu during the Symposium do not stay confined within the borders of our regions:

*The threats and illicit networks we are discussing also transit to Europe, Africa, and other parts of the world. For example, there is growing concern that Mexican cartels have branched out and are now operating in parts of Asia and on the ground in West Africa. Similarly, Asian organized criminal groups are increasing their operations in Central America and other parts of the world. Law enforcement remains weak in some jurisdictions, while others offer safe havens where traffickers can operate with impunity.*

Ambassador Johnson closed by articulating that as the international community continues to struggle against transnational illicit networks across the Pacific, and globally, that no one economy alone can combat today’s transnational threats and that the United States was committed to working together with jurisdictions throughout the region:

*It will require that we and other governments work together closely at the bilateral, sub-regional, regional and global level to take the fight directly to these threat networks.*

DHS Assistant Secretary for Policy Development, Arif Alikhan, emphasized the importance and effectiveness of partnerships among all agencies, governments, and nations to successfully address transnational crime. However, he asserted that governments and agencies may often speak about the importance of partnerships but do not effectively develop or maintain these relationships because of competing interests, the inability to dedicate the necessary time or simply because of jurisdictional issues. He suggested that the best way to overcome these obstacles regarding partnerships is to remember the universal reason why all of us in public service perform our jobs: to protect people.

Assistant Secretary Alikhan outlined that, regardless of the level or size of one’s agency, country, or specific task, our purpose is to protect people from harm. If we constantly remind ourselves of this universal purpose, smaller bureaucratic disputes become much less important. Assistant Secretary Alikhan closed by noting the importance of remembering the people that have sacrificed their own lives to protect the lives of others. He listed the public servants who recently were killed on duty including the murder of a U.S. Customs and Border Protection Border Patrol Agent at the border of California and Mexico, the death of DEA agents in Afghanistan, and the Coast Guard personnel who died in a plane crash while attempting a rescue at sea. Assistant Secretary Alikhan reiterated that if officials from all countries, agencies, and levels of government remember that we share the same goal of protecting people from harm, we can push aside differences and work together to achieve that important goal.

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Ron Noble, Secretary General, INTERPOL, said that all international crime is local crime and has a local impact. When criminals operate in multiple countries, the best defense is international networks:

*It is in all of our shared interest to facilitate the legal flow of goods and people across this great ocean, while shutting the doors to the criminals who wish to exploit this freedom for profit; to strengthen fundamental policing, while continuing to innovate in response to the increasingly challenging threats we face. . . . We cannot be afraid to try new ideas, to take bold steps, to sometimes venture outside of our comfort zones.*

Secretary General Noble echoed Alikhan's statement that international criminals must travel and cross borders and that smuggling routes, methods and networks are used by criminals and terrorists and that is when they are most vulnerable. He pointed out that corruption fuels other crimes. Secretary General Noble also noted that Asian gangs co-operate with Eastern European criminal networks in human trafficking; organized criminals engage in pharmaceutical counterfeiting; traffickers switch seamlessly from weapons to drugs depending on where the biggest and easiest money is:

*We will not always know where the threats will originate, but we can be better prepared by making sure that there are no gaps in our collective ability to respond.*

Secretary General Noble encouraged jurisdictions to make sure the tools that are already available to secure our borders are used and are used to their maximum effectiveness, like INTERPOL's Dismantling Smuggling Networks (DSN) project, Lost and Stolen Passport (LASP) database of stolen and lost travel documents, and its innovative FIND/MIND technology that puts this and other databases directly into the hands of law enforcement and border control officers. The stolen and lost travel documents database contains almost 19.5 million records submitted by 147 member countries. This year, it has helped countries uncover more than 2,000 suspect travel documents each month. It is one of the most easily implemented tools in countering all forms of transnational illicit activity and one of the most effective. Secretary General Noble discussed how INTERPOL's FIND/MIND technology provides border security agencies with the necessary investigative and analytical resources to target, identify, and disrupt smuggling activity.

Director Kee Hean Soh of Singapore's Corrupt Practices Investigation Bureau (CPIB), and who also served as chair of APEC's Anticorruption Task Force in 2009, spoke on the relationship between corruption and transnational crime. Director Soh noted that corruption can exacerbate the threat presented by transnational crime, emphasizing that the task force's efforts are important in constraining it:

*Corruption in itself is not a transnational crime, but corruption can facilitate or aggravate transnational crime. For instance, border controls could be circumvented by payment of bribes if border control*

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*personnel are corrupt. If law enforcement is 'captured' by criminal networks, we can imagine the scale and outcomes of the crimes perpetuated. By focusing on governance and institutional integrity, we ensure the rule of law and that the key institutions of government and law enforcement can work well. This reduces the potential of government institutions and law enforcement from being subverted for the purposes of transnational crime. By focusing on international co-operation in fighting corruption, we can curtail the links between corrupt actors and systems that could be abused to support transnational crime. The more we curtail the links the better we are at curtailing the reach of transnational crime.*

Director Soh underscored how, in recent years, APEC Leaders and Ministers had prioritized their cooperative efforts to combat and dismantle transnational illicit networks in the region. At the APEC Summit in Lima, Peru, in November 2008, APEC Ministers agreed to “dismantle transnational illicit networks and protect our economies against abuse of our financial system by corrupt individuals and organized criminal groups through financial intelligence and law enforcement cooperation related to corrupt payments and illicit financial flows.”

[Days after the Trans-Pacific Symposium concluded, APEC Leaders at the Summit in Singapore, November 14-15, 2009, noted “the importance of international cooperation in combating and dismantling the threat of cross-border criminal networks and its linkages with corruption nodes. We encourage member economies, where applicable, to ratify the UN Convention against Corruption and UN Convention against Transnational Organized Crime and take measures to implement their provisions, in accordance with economies' legal frameworks.”]

In a message to delegates, William F. Wechsler, Deputy Assistant Secretary of Defense, Counternarcotics and Global Threats, U.S. Department of Defense, applauded the focus on a comprehensive whole-of-government approach to disrupt and dismantle transnational networks:

*We at the Department of Defense will continue working with our partners at the Departments of State, Homeland Security, Treasury, and Justice along with partner nations to provide support and resources to combat transnational crime. Victory in this arena requires our continued efforts to engage in capacity building and intelligence sharing, fight corruption, reduce crime, and facilitate stability around the world.*

November 10, 2009: Day 1 Sessions - Discussion

**SESSION I. Threat Convergence and Current Trends.** *Chaired by David M. Luna, Director for Anticrime Programs, INL, U.S. Department of State. Panelists: Dr. Louise Shelley, Center for Terrorism, Transnational Crime and Corruption Center, George Mason University; Rob McCusker, Transnational Crime Advisor to the Australian Institute of Criminology – and, Director for the Centre for Fraud and Financial Crime, University of Teesside; Pierre Lapaque, Chief, Law Enforcement, Organized Crime and Anti Money Laundering Unit, United Nations Office on Drugs and Crime (UNODC).*

**David M. Luna provided an overview of the emerging convergence and interconnectedness of transnational illicit threats across the trans-Pacific region and its impact to domestic and international security.** Luna challenged symposium participants to think strategically about creative ways to examine inter-related threats and linkages and to develop “panoramic” approaches to dismantling transnational illicit networks. Luna indicated that the international community cannot continue to view drug cartels solely through counter-narcotic lenses or combat transnational crime through narrow “myopic” approaches – especially given the increasingly complex nature of the organized criminal groups; instead, the international community must examine these illicit activities holistically, leverage our joint capability and expertise, and simultaneously target – by full spectrum means – the height, breadth and depth of the space in which these networks operate, in order to exploit and aggressively disassemble the real and virtual underlying illicit architectures that enable their criminality.

Luna noted that jointly leveraging anticorruption, counterterrorist financing, anti-money laundering, counter-narcotics, border security, and other law enforcement efforts – key areas of focus of the symposium – were important to detect and prosecute illicit actors and to identify and dismantle their networks. Luna also indicated that more robust and innovative “synaptic” security-law enforcement responses can help the international community to make inroads on many fronts, including enhancing intelligence collection to disrupt critical corrupt and finance nodes important to dismantling illicit networks:

*When criminal and illicit actors and networks converge, they expose their memberships and operating procedures to greater scrutiny, and potential vulnerability. At the intersection of illicit nodes, we can better follow the leads, track financial flows, uncover corrupt channels, and understand the interconnected links between organized crime and other threats, and to unravel the web of criminality and corruption that often runs through the illicit underworld.*

Dr. Louise Shelley stated that the Pacific region is attractive to criminal networks because of corruption in the region, lack of law enforcement capacity and cooperation, disconnected intelligence, and concentrated wealth. Dr. Shelley underscored how transnational crime groups

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are increasingly linked to the legitimate economy and are positioned at the vanguard of the new economy (banking/international finance, high tech, computers, pharmaceuticals, shipping, manufacturing, etc.). Such market sophistication and diversification enabled organized groups to seamlessly move illicit goods across the Pacific through established routes and networks. Dr. Shelley also addressed the growing concerns over environmental crime and the alarming high-level connections between criminals and government officials. To combat transnational crime across the Pacific, Dr. Shelley provided the following suggestions:

- *Establish collaborative international research and analysis*
- *Integrate counter-crime strategies into conflict approaches*
- *Foster cross-border law enforcement cooperation and cooperation among financial institutions*
- *Increase involvement of multi-lateral organizations*
- *Foster Private-Public Partnerships (PPPs)*
- *Increase cooperation with NGOs*
- *Role for Investigative Journalists*
- *End the impunity of criminals*
- *Address and lower levels of corruption*

Rob McCusker provided a comprehensive analysis of threat convergence and current trends in the Pacific, especially with respect to the Pacific Islands. McCusker described the vulnerabilities of the region and how today's criminal organizations exploit the globalization of integral systems (trade, technology, transportation, communications, information, and financial). Jurisdictions are geographically isolated and, typified by corruption, a lack of law enforcement capability and capacity, poverty, political instability, cultural diversity and difficult and disparate border control. McCusker suggested that "anticipation" was critical for law enforcement agencies to combat transnational illicit networks more effectively by:

- *Targeting the facilitators of the crime based on current intelligence*
- *Anticipating the facilitating factors which might lead to developments within already identified crime*
- *Anticipating the possible (and by extraction, likely) typologies, directions and complexities, of future crime*

Pierre Lapaque provided UNODC's assessment of transnational organized crime in the trans-Pacific region. Lapaque first concentrated on new trends and changes in illicit drug flows, and then described the challenges we face due to threat convergence: new and complex crime groups; interconnectivity of criminal networks; diversified criminal activities; and the blending of licit and illicit businesses.

Lapaque cited recent data by UNODC on bi-directional illicit flows across the Pacific: the trafficking of Amphetamine-Type Stimulants (ATS) from South East Asia and the Pacific to the world; trafficking of opium/heroin from South and South East Asia to the Pacific; trafficking of

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human beings from/to East and South East Asia and the Pacific; and trafficking of counterfeit medicines from Asia to West Africa. He further identified illicit trafficking flows from the Americas to the Asia Pacific region including, for example, illicit routes, nodes, and countries of origin from North and South America to Australia, Japan, Hong Kong, Thailand, and other Asian economies related to drugs, wildlife and endangered species, and hazardous materials.

Lapaque said that governments are part of the reason that these new crime networks are so successful. Stove-piping complicates information sharing, and inadequate funding and limited cooperation impede law enforcement operations. International organizations can only provide a framework for cooperation but governments needed to interact with each other including through partnerships at all levels – national governments, UN agencies, regional organizations, international and regional law enforcement agencies (LEAs), NGOs and the private sector. Lapaque also indicated the UN Conventions against Transnational Crime (UNTOC) and Corruption (UNCAC) provided good frameworks to strengthen international cooperation.

Pierre Lapaque offered the following constructive suggestions on threat convergence and for more effectively combating transnational organized crime (TOC):

- **Urgency** in international efforts
- **Understanding** of TOC – conduct threat assessments and develop threat specific approaches based on the threat's nature
- **National involvement and ownership** of projects and programs to ensure success and sustainability
- **Enact and Implement** proper legal provisions – develop technical and operational capacities and partnerships
- **International cooperation** – integrate strategic decision-making and coordinate activities at all levels to ensure coherence and consistency
- *The response towards TOC should be **proactive, multidisciplinary and multilateral**, but it should also be more **coherent** and based on evidence and structural analysis.*

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### **SESSION 2. *Current Initiatives to Combat Transnational Illicit Networks and Organized Crime.***

*Chaired by Bruce Ohr, Chief, Organized Crime and Racketeering Section, U.S. Department of Justice. Panelists: Janice Ayala, Assistant Director, ICE Office of Investigations, U.S. Department of Homeland Security; Greg White, Australia Federal Police; Herb Brown, Deputy Assistant Director, Criminal Investigations, Federal Bureau of Investigations (FBI).*

**Session moderator Bruce Ohr built on the analysis of the transnational crime problem provided by the preceding panel (threat convergence) by asking what, if anything, governments were doing to address these challenges.** Ohr mentioned that law enforcement agencies in the United States had begun to address the problem through the formulation of a law enforcement strategy to combat international organized crime, and that one important component of that strategy was the creation by Attorney General Eric Holder of the **International Organized Crime Intelligence and Operations Center (IOC-2)**.

IOC-2 brings together representatives of the nine federal law enforcement agencies that make up the Attorney General's Organized Crime Council in a task force setting and allows them to combine data and produce actionable leads for investigators and prosecutors working international organized crime cases. Ohr indicated that two of the panelists from ICE and the FBI would address these developments in greater detail. The third panelist from the Australian Federal Police would speak about an innovative information-sharing arrangement among law enforcement agencies in Pacific island nations which greatly enhances their ability to combat international organized crime.

Reinforcing Lapaque's earlier presentation, which stressed the limits that governments face when confronted by transnational crime, Ohr reiterated that given the wide differences across jurisdictions, it is important to better understand each other's systems, strengths, capabilities, and limitations in order to effectively cooperate. Ohr said that a major impediment to success is that we are too focused on the short term rather than the long term. This leads to the need to look at new ways of measuring success; while the United States relies largely on short term metrics, the real goal of protecting people necessitates taking a longer view. Ohr also emphasized the need for public/private partnerships and that although agencies often suffer from inadequate funding, they can use creative and cooperative means to achieve their goals.

Janice Ayala described the many new and innovative programs that ICE has undertaken to meet today's transnational crime threats, including the Border Enforcement Security Task Force (BEST) program and Operations GRAYSKULL, FIREWALL, and ARMAS CRUZADAS. Discussing **OPERATION GRAYSKULL**, Ayala described how ICE had dismantled a drug-trafficking organization in Puerto Rico from a single Suspicious Activity Report (SAR). This SAR documented unusual activity at a business located in Puerto Rico dedicated to selling automobile accessories. The identified automotive accessory business was activating approved lines of credit and would quickly repay with large cash deposits. In August 2008, 64 of 70 members of a drug trafficking organization were arrested in several municipalities in Puerto Rico. All arrests took place in a 24 hour time frame and effectively dismantled the organization, taking into custody the leaders, suppliers, runners, enforcers, and facilitators. To date, 69 of the 70 individuals are in custody. There have

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been 13 guilty pleas on drug related charges. Ayala mentioned how SARs enhanced the investigation by documenting the disproportionate amount of cash deposits the car accessory business made as opposed to other businesses similar in nature.

Ayala also highlighted how ICE had partnered with other U.S. law enforcement agencies and jurisdictions across the Pacific to combat bulk cash smuggling. In 2005, working with U.S. Customs and Border Protection (CBP) to launch **OPERATION FIREWALL**, ICE targeted criminal organizations involved in the smuggling of large quantities of U.S. currency. Since its inception in August 2005, Operation Firewall has resulted in the seizure of over \$277 million in U.S. currency and negotiable instruments, of which over \$108 million has been seized internationally. In addition, a total of 555 arrests have occurred with 105 conducted in foreign locations.

Ayala highlighted current problems facing the United States along the Southwest border and the Border Enforcement Security Task Forces (BESTs), which were first implemented in Laredo, Texas in January 2006. BESTs were created to address the increase in violent crimes associated with underlying criminal activities of arms trafficking, drugs, human smuggling/trafficking, and bulk cash smuggling occurring in U.S. and Mexico border towns. There are currently 17 BESTs; ten on the Southwest border, three on the Northern border, three in major seaports, and one in Mexico City.

Ayala outlined ICE's response to drug cartels and criminal organizations acquiring more powerful and dangerous firearms, in part by illegally smuggling weapons from the United States. ICE launched Operation **ARMAS CRUZADAS** in 2008 as a bilateral law enforcement and intelligence-sharing operation between U.S. and Mexican law enforcement agencies. The mission of Operation Armas Cruzadas is to comprehensively identify, disrupt, and dismantle trans-border weapons smuggling networks. Its goals include: coordinating operations; developing intelligence about arms trafficking networks; strengthening interagency cooperation; promoting intelligence information exchange; and implementing points of contact for information exchange. Since its inception in 2008, Operation Armas Cruzadas has resulted in the seizure of almost 2,000 weapons, more than \$8 million, approximately 235,000 rounds of ammunition, and the arrests of close to 300 individuals on criminal charges, resulting in a high percentage of criminal indictments and convictions.

Ayala also discussed ICE's participation in the Organized Crime Drug Enforcement Task Force (OCDETF) Fusion Center and the International Organized Crime Intelligence and Operation Center (IOC-2). ICE and the Department of Justice signed two Memorandums of Understanding in August 2009 to foster increased communication between participating agencies at the OCDETF Fusion Center and the IOC-2. This new partnership will further support the joint fight against criminal organizations by all of the other Fusion Center agencies, including the FBI, DEA, and ATF.

Greg White described the **Pacific Transnational Crime Network (PTCN)**, an innovative initiative to combat transnational organized crime in the Pacific in a cohesive manner, while at the same time building the law enforcement capacity of the island nations. The PTCN was formally set up

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under the auspices of the Pacific Islands Chiefs of Police Conference and sponsored by the Australian Federal Police (AFP) and the JIATF-West as part of a regional approach to combat transnational crime in the region.

The PTCN consists of Fiji, Samoa, Tonga, Vanuatu, Papua New Guinea, Micronesia, Solomon Islands, Australia, New Zealand, and other partners. The initiative is geared toward recognizing and raising members' law enforcement capacities rather than trying to impose unsustainable foreign high-tech ideas and solutions. The PTCN helps partners develop **transnational crime units (TCUs)**, multi-agency staffed, and linked with others throughout the Pacific. The PTCN/TCU's tasks include cooperation with Financial Intelligence Units (FIUs), disrupting transnational crime in the Pacific, undertaking complex transnational crime investigations, and gathering criminal intelligence in the Pacific. White also indicated that the Pacific Transnational Crime Coordination Centre (PTCCC) in Samoa, which is populated by members of the TCU's on a rotational basis, forms a central informational hub for the network. White indicated that the PTCN's effectiveness is based on:

- Low-tech infrastructure
- People-based networks
- Reach-back capability
- Capacity development

Herb Brown pointed out that international organized crime is always local in impact and effect. He provided examples of how the FBI is changing its strategies to meet evolving TOC threats and pointed out that we need to come up with distinct, simple and flexible plans.

**SESSION 3. *Securing the Border in a Globalized World.*** Chaired by David Henry, Canada Border Services Agency (CBSA); Richard Vigna, Director of Field Operations, San Francisco Field Office, U.S. Customs and Border Protection (CBP); Virginia Lynch, Australian Customs and Border Protection Service; Gonzalo Gallegos, Executive Secretary, Inter-American Committee Against Terrorism (CICTE), Organization of American States (OAS).

**The panel on Securing the Border in a Globalized World showed that there is a dynamic tension between effective border security and facilitating the safe and speedy movement of legitimate travelers and trade.**

Richard Vigna commented on CBP's responsibilities and authorities in the management, control, and protection of our nation's borders at and between official ports of entry, including combating the illicit trade and protecting the homeland against criminals, terrorists, and terrorist weapons. Vigna stated that in 2008, CBP had:

- Inspected over 396 million passengers and pedestrians
- Processed more than 25 million truck, rail, and sea containers
- Collected \$32.9 billion in tariffs, fees, and duties

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- Arrested 27,300 individuals, including murderers, sexual predators, drug smugglers, and individuals with links to terror
- Initiated over 38,000 expedited removal cases
- Intercepted 27,887 fraudulent documents
- Seized more than 570,000 pounds of marijuana
- Seized over 40,000 pounds of cocaine
- Seized \$76 million in currency

Vigna outlined CBP's layered and comprehensive enforcement strategy that is made up of numerous programs and public-private partnerships, many of which are based on the goal of pushing the borders out and ensuring the integrity of the supply chain from the point of arrival at a U.S. port of entry. CBP's multi-layered approach includes:

- Partnerships with foreign governments, such as the Container Security Initiative (CSI) and the Secure Freight Initiative (SFI)
- Advanced information and Advance Security Filing ("10+2" requirements)
- Immigration Advisory Program (IAP)
- Advanced Passenger Information Systems, Passenger Name Records
- Screening the information through the Automated Targeting System (ATS), National Targeting Center (NTC), Field Analytics Units
- Use of Non-Intrusive Inspection (NII) technology and mandatory exams for all high risk shipments through Radiation Portal Monitors (RPM), High Energy X-Rays, Gamma Ray Scanners, Radiation Pagers, Isotope Identifiers

Vigna stressed how different layers focus on securing different parts of the supply chain, ensuring that cargo is regularly assessed and that security does not rely on any single point that could be compromised, including to look closely at all distinct but related threats and rely upon a layered security process which is designed to reduce risk to the extent possible.

Virginia Lynch of Australian Customs and Border Protection described how Australia balances passenger and trade facilitation with border enforcement and protection by using:

- Technology, such as the International Trade Single Window
- Public/private partnerships
- International cooperation

Lynch stated that we have to take information sharing to the next level, push the borders back, and manage risk before it reaches our shores. As criminals become more sophisticated – and as the global economy becomes more integrated and interdependent – Lynch stressed that jurisdictions needed to focus on intelligence in order to maximize risk assessments and border agencies to work ahead of the border, commencing risk management activities earlier in the supply chain, and strengthening cooperation with overseas governments for critical real time information sharing. Lynch also underscored that more comprehensive global intelligence networks were needed to enable exchange of advance data for risk assessment.

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Gonzalo Gallegos, OAS CICTE, pointed out that international cooperation is the key to addressing terrorist threats. He described CICTE's many training and capacity building programs, which are part of a multi-dimensional approach to border security. This approach includes developing public/private partnerships, helping member states pass legislation, and improving document security.

November 11, 2009: Day 2 Plenary and Sessions - Discussion

Plenary Keynote Speakers

Jason Weinstein, Deputy Assistant Attorney General, Criminal Division, U.S. Department of Justice, said that transnational organized criminal networks are a threat to national security that operate in a borderless world and constitute one of the great challenges facing the world in this century:

*As a result of fast-paced developments in technology and business practices, transnational illicit networks now operate in an essentially borderless world. Criminals were quick to see how improved travel and communications, the internationalization of finance, and the growth of the Internet could facilitate their illicit businesses. For example, these criminals can make use of the Internet to recruit new members, communicate with each other, receive financing, and facilitate the distribution of counterfeit and pirated goods – all at lightning speed. As a result, we now find ourselves facing an unprecedented explosion in organized crime that threatens every nation. Leaders of criminal enterprises wield more influence than heads of state or of businesses in many parts of the world, and they engage in the corruption of global government officials on a grand scale. It is no overstatement to say that transnational organized crime is one of the great challenges facing the world in the 21<sup>st</sup> century.*

Weinstein said that international cooperation is essential for success. To make his point he gave several examples where cooperation made the success of the case possible – including major ICE-led cases against Ibrahim and Boateng; both were indicted in 2007 in the United States on conspiracy and numerous human smuggling charges related to moving hundreds of East African nationals from Mexico to the United States. Weinstein also highlighted joint cooperation by Chinese and U.S. law enforcement that led to the conviction of four individuals, including two former managers of the Bank of China, on charges of racketeering, money laundering, and international transportation of stolen property, as well as passport and visa fraud, for a scheme in which the defendants stole at least \$485 million from the Bank of China and laundered the stolen money through Hong Kong, Canada and the United States. Weinstein said that earlier in 2009, the lead defendant received a sentence of 25 years in prison, and his second in command received a 22 year sentence; and that the case was made possible only through extensive cooperation among Chinese, Hong Kong, Canadian, and U.S. authorities.

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Weinstein concluded by stating that:

*We must recognize that the dangers we face will continue to grow as transnational criminal networks become increasingly sophisticated and resourceful. And we must recognize that it is only through a coordinated, multi-national effort – a truly collaborative global response – that we will be able to protect our citizens and institutions from this global threat. It’s appropriate that the closing plenary is called “Fighting Networks with Networks” – because that’s exactly what we need to do to be successful. To defeat these transnational criminal networks, we must not only equal, but exceed their sophistication; we must not only equal, but exceed their ability to be agile and to collaborate across borders; and we must not only equal, but exceed their determination.*

Rear Admiral Steven H. Ratti, Director, JIATF-West, described how his organization is U.S. Pacific Command’s executive agent for Department of Defense counter drug and drug-related support to law enforcement in the Asia Pacific region. Ratti described how JIATF-West, in cooperation with U.S. interagency and foreign partners, conducts activities to detect, disrupt, and dismantle drug-related transnational threats in Asia and the Pacific in order to protect U.S. security interests at home and abroad. Ratti described JIATF-West and its inter-related missions of:

- Supporting law enforcement operations
- Building partner national capacity to increase their effectiveness
- Support building law enforcement networks of cooperation

Ratti emphasized how JIATF-West’s mission is centered on interagency and international cooperation. JIATF-West partners with U.S. and foreign law enforcement agencies through regional U.S. Embassies and their respective country teams. Ratti also stated that JIATF-West partnered with regional law enforcement agencies, such as New Zealand Police, AFP, and Australian Customs Service, who coordinate complementary capabilities in the region.

Breakout Sessions

**SESSION 4A. International Narcotics Trafficking.** *Chaired by Paul Campo, Chief, Mexico and Central America, Office of Financial Operations, U.S. Drug Enforcement Administration; Senior Special Agent Randall Hilding, ICE Houston, U.S. Department of Homeland Security; Dato' Zainul Abidin bin Taib, Director for Enforcement, Royal Malaysian Customs Department; Sandra Manderson, Superintendent, New Zealand Police; Edwin Roberto Guardia Alvarado, Prosecutor, Public Ministry of Panama.*

Randall Hilding provided an overview of ICE's role in dismantling international criminal organizations in **OPERATION TIEN CAN**. The investigation was initiated in late 2006 when ICE received information about a major international money laundering ring based in Toronto, Ontario, Canada. Individuals associated with the ring were located throughout the United States, including Houston. ICE Houston developed information regarding a large scale money laundering organization working with several Asian criminal organizations in Canada and the United States. During the course of the investigation, ICE and the Royal Canadian Mounted Police (RCMP) Toronto Integrated Proceeds of Crime (TIPOC) in Toronto, Canada worked side by side operating multiple Title III wire intercepts on numerous targets located in Toronto and throughout the U.S. The international relationship between ICE and RCMP led to the successful dismantling of this criminal enterprise.

Hilding concluded by stating that over the course of the investigation, ICE and RCMP seized approximately \$7.8 million in U.S. currency; \$305,000 in Canadian currency; 85 kilograms of cocaine; and 803 pounds of marijuana (collectively in the U.S. and Canada). He underscored that the ability of ICE to work closely with the RCMP TIPOC in Toronto enhanced the mutual flow and transfer of information, as well as the forward movement of the joint investigation, effectively making it a borderless investigation.

Dato' Zainul Abidin bin Taib provided an overview of the Royal Malaysian Customs Department, which is the government agency responsible for administrating the nation's indirect tax policy while enhancing legal compliance in order to safeguard Malaysia's economic, social, and security interests. On combating illicit narcotics trafficking, consistent with the SAFE Framework of Standards of the World Customs Organization (WCO), bin Taib indicated that Malaysia aggressively monitors the country's vast coastline through a coordinated effort and strategic action plan between the Royal Malaysian Navy, Coast Guard, Malaysian Customs, and the Marine Police including, for example, via enhanced risk management systems, improved communication systems, standardized procedures at all points of entry, and improved integrated border management controls. Bin Taib discussed the success of narcotics seizures from 2007-2009 by Malaysian law enforcement agencies against illicit drug networks from Southeast Asia, including their sea and air criminal operations and the network's modus operandi such as smuggling narcotics through specialized compartments and creative packaging in luggage, pails, canned foods, electrical goods, soaps, food packed as turmeric, curry powder and other spices, jewelry boxes and stands, computer processing unit frames, cooking pots, and clothing.

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Edwin Roberto Guardia Alvarado discussed how Panama is confronting some of today's drug trafficking networks. Citing recent law enforcement statistics on interdictions and seizures, Alvarado indicated how Panama remains a key staging place for Colombian drug cartels to move cocaine to the U.S. and Europe through sea and air routes and networks. Alvarado mentioned how Go Fast Vessels (GFV) are being used on the high seas to transport drugs to vessels, as well as in ports. Alvarado also indicated that Asian illicit trafficking has increased significantly over the years. Given Panama's strategic position between the Atlantic and the Pacific and its high volume of container traffic, Alvarado stated that his government has been partnering with UNODC on a 2-year program for the safe handling of containers. This program is conducted through the Customs Service, the Public Prosecutors' Offices, the Directorate for Judicial Investigations, the National Police and the Directorate for Police Information and Investigation. He also said that Panama was looking at establishing a center of excellence and providing expertise and training to other countries on the safe handling of containers.

**SESSION 4B. *Fighting Human Smuggling and Related Crimes.*** *Chaired by John Ingham, Director, U.S. Human Smuggling and Trafficking Center (HSTC); Mike Dunlop, Head, Argentina Liaison Office, South African Police Service' Channa Guenoun, Illegal Migration Intelligence Section, Canadian Border Services Agency (CBSA); Mike Stevenson, Deputy Attaché, ICE Bogota, U.S. Department of Homeland Security; Moses Ibsagi, Officer in Charge, Transnational Crime Unit, Royal Papua New Guinea Constabulary (RPNGC).*

**Session moderator John Ingham began by describing some of the hurdles in identifying the scope of the criminal enterprises engaged in smuggling.** For example, alien smuggling organizations (ASOs) are loosely affiliated to move people and commodities. Investigators can only trace back to a certain point before those leads become difficult to track without assistance. Drug organizations are more hierarchical in structure. ASOs differ greatly in sophistication, be it by providing fraudulent documents, integrating legal products, or official corruption. For instance, many groups now provide money back guarantees. Some of the positive strides by law enforcement officers include work with foreign partners, exchanging operational and strategic information, and the targeting of global travel networks that utilize multiple partners.

Mike Dunlop, South African Police Service, spoke about significant African and Asian alien smuggling routes through South America, the legal processes they utilize, and the overlap of these routes with those of other crimes, such as terrorist mobility, narcotics trafficking and human trafficking. Dunlop also mapped how East and West African illicit networks help to smuggle individuals using fraudulent passports, from the Horn of Africa through South Africa to different destinations in South America and onward to the United States and Canada. Through these smuggling routes, Dunlop described how some of the smuggling West Africans were able to stay in numerous Latin American countries and help establish the cocaine-pipelines now operating across Africa into Europe. Dunlop also indicated that these smuggling networks are increasingly smuggling Africans via Asian gateways en route to the United States.

Channa Guenoun explained how the Illegal Migration Intelligence (IMI) Section of the Canada

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Border Services Agency collaborates with domestic and international partners to improve the detection of illegal migration. The IMI provides functional guidance, operational intelligence and advice as required, acting as subject matter expert on issues related to immigration fraud, human smuggling and human trafficking. Guenoun then described how Chinese criminals abused the Canadian visa system to smuggle people to Canada. She spoke about the new techniques that CBSA officers utilized to profile marriage fraud to prevent the illicit movement of people. The upfront triage process took longer at the beginning of the visa process, but identified a 93 percent fraud rate. That same technique was then applied to other visa categories that also had high rates of fraud. Guenoun linked the fraudulent Chinese “marriages of convenience” to the sex trade, loan sharking, and the drug trade.

Mike Stevenson, Deputy Attaché, ICE Bogotá, explained how international cooperation between the U.S., Colombia and Panama brought down a major alien smuggling network that was linked to terrorism. ICE **OPERATION PIPELINE** was the first ICE case in which smugglers were providing material support to the members of the FARC, a designated terrorist organization. Operation Pipeline was initiated in 2004 following the interception of three Iranian nationals by Panamanian authorities. The Iranian nationals were found to be transiting Panama en route to the United States, utilizing counterfeit Colombian documentation. Further, 12 additional special interest aliens (SIAs) were identified as operating in South America. Their role in the organization was to assist in the smuggling of aliens, arms, narcotics, and money. Stevenson discussed how the investigation revealed that a vast criminal network composed predominantly of SIAs had operated without detection for three years. Given the organization’s ability to exploit loopholes in border and internal immigration controls in Colombia, Venezuela, Panama, and Mexico, ICE Attaché Bogotá reached out to immigration officials in Colombia in order to better identify and apprehend SIAs transiting through Colombia en route to the United States. According to Stevenson, among the lessons learned in **OPERATION PIPELINE** was that criminal organizations seeking to smuggle contraband and aliens to Europe, the U.S., and Pacific Rim destinations had leveraged Colombia as a key launching point due to its geographic location in the northern part of South America.

Moses Ibsagi of the Papua New Guinea Transnational Crimes Unit discussed the smuggling routes in the Papua New Guinea region and activities undertaken by organized crime in PNG including human smuggling, money laundering, extortion, illegal gambling, illegal logging, smuggling of counterfeit goods, smuggling of fauna and flora, minor drug manufacture and distribution, and illegal importation and use of weapons. Ibsagi noted that the affect of organized crime in PNG is significant when it comes to the corruption of public officials and elected leaders. Ibsagi also underscored the important of “networking” and how cooperation through the Pacific Transnational Crime Network (*See Above* Greg White’s presentation from Day 1) assists in fighting organized crime in a very difficult environment:

*Establishing strong and effective networks, and leveraging of the established networks for law enforcement partners to assist us in blocking some of the gaps that are presented through the challenges identified earlier.*

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Ibasagi also indicated that among the challenges that PNG law enforcement face are outdated laws, corruption, difficult geography, and 800 separate cultures and languages in PNG. The PTCN is a new task force including Police, Customs, Immigration, and NGOs that assist PNG to work together with other TCU's to dismantle these organizations.

In closing, moderator Ingham spoke about key challenges for law enforcement moving forward that the panelists identified:

- 1) Think strategically or beyond your own agencies' interests with operational information. (Focus should always include the pipeline).*
- 2) Create an environment that allows field personnel to better connect specific information (in your backyard) to the global law enforcement communities. This needs to be done systemically as we are only checking with foreign agencies when we have reason to believe a connection exists.*
- 3) Integrate foreign partners' interests into your agencies' plan to dismantle trans-national organizations. This systemic integration is outside traditional law enforcement metrics, but will pay dividends and be reciprocated by partners.*
- 4) Cultivate the ability to look beyond the combat zone of traditional law enforcement and think globally. Looking at the big picture, doing what is best for all rather than seeing just local issues, will bring greater and more lasting results.*

**SESSION 5A. Transnational Trends in Illicit Finance: Money Laundering, Terrorist Financing and Bulk Cash Smuggling.** Kevin Tyrell, Acting Section Chief, ICE Office of Investigations/Financial Programs, U.S. Department of Homeland Security; Dr. Gordon Hook, Executive Secretary, Asia Pacific Group on Money Laundering (APG); J.R. McBrien, Associate Director, Enforcement and Investigations, Office of Foreign Assets Control, U.S. Department of the Treasury; Rick Salomon, Assistant Section Chief, Terrorist Finance Operations Section, U.S. Federal Bureau of Investigation; Colonel Juan Carlos Buitrago, Colombian National Police.

**Terrorist and other criminal organizations are increasingly funding illicit activities and laundering proceeds of crimes through the physical cross-border transportation of negotiable instruments, particularly cash. The panel examined how the use of cash smuggling in financing crime and terrorism is a particular concern to international law enforcement agencies.**

Gordon Hook presented on the Asia Pacific Group on Money Laundering (APG), an autonomous and collaborative international organization founded in 1997, consisting of 40 members and a number of international and regional observers, to combat money laundering and terrorist finance. Some of the key international organizations who participate in, and support, the efforts of the APG in the region include the Financial Action Task Force (FATF), International Monetary

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Fund (IMF), World Bank, Organization for Economic Cooperation and Development (OECD), UNODC, Asian Development Bank (ADB), and the Egmont Group of Financial Intelligence Units. Hook noted how terrorist bombings over the years – New York 2001, Bali 2002, Jakarta 2003-2004, and most recently, Mumbai 2008 – were financed through various means, some illicitly. For example, Hook said that in the past Al Qaeda had raised funds for their terrorist activities not only through state sponsorship, charities, and corporate entities (front companies), but also through proceeds from hawala shops, gold and gem smuggling, and other illicit schemes. Hook also outlined how APG works in the region to help members combat criminal and terrorist financing, freeze terrorist assets, and strengthen capacities of non-profit organizations and charities.

Bob McBrien discussed how the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States. OFAC acts under Presidential national emergency powers and under authority granted by specific legislation to impose controls on transactions and freeze assets under U.S. jurisdiction.

McBrien explained that the authorities delegated to OFAC are national security and foreign policy tools that provide power and leverage against a foreign country, regime or non-state actor such as a foreign narcotics trafficker or terrorist. One of the most powerful instruments, the Specially Designated Nationals List is used to identify, expose, isolate, and disrupt or incapacitate foreign adversaries with the intended result of denying them access to the United States financial and commercial system and immobilizing their resources. OFAC's authorities are administrative in nature; but for persons subject to U.S. jurisdiction, violating OFAC sanctions carries both civil and criminal penalties.

McBrien informed delegates of an example of an OFAC designation (Executive Order 13382, which targets entire networks, including WMD proliferators, their supporters and support structures – financiers, logistical support, front companies, and suppliers – and their assets). Under E.O. 13382, assets, accounts and transactions are frozen or blocked, and financial institutions and banks have to report to OFAC “any foreign entity or individual determined. . . . to have engaged, or attempted to engage, in activities or transactions that have materially contributed to, or pose a risk of materially contributing to, the proliferation of WMD or their means of delivery (including missiles capable of delivering such weapons) by an entity or individual or foreign country of proliferation concern.” McBrien informed listeners that under E.O. 13382, OFAC has secured over 150 designations since June 2005.

Kevin Tyrrell elaborated on how ICE's investigative authorities enable the U.S. Department of Homeland Security to pursue complex banking and financial misconduct cases, conduct searches, and seize assets of criminal enterprises engaged in immigration and customs violations. Tyrrell highlighted that from fiscal years 2003 through 2009 alone, ICE arrested over 1,100 individuals for Bulk Cash Smuggling (BCS) violations, resulting in the seizure of more than \$410 million U.S.

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under 31 USC § 5332 of the USA Patriot Act including through innovative concealment in vehicles (e.g., side panels and hidden compartments, inside batteries, spare tires); false-bottom suitcases, “cash vests” or inside linings that people hid inside their clothes, food tins and cigarette packs, and other means.

Tyrell also said that ICE has a three-prong approach to combat BCS:

- *Interstate Transportation: Targeting large cash shipments while en route to the border and/or in furtherance of criminal activity.*
- *International Border: Where the illicit funds can be concealed or commingled with legitimate commerce.*
- *Foreign Locations: When passing through foreign locations in furtherance of criminal activity.*

Tyrell discussed the National Bulk Cash Smuggling Center (BCSC) which is located at ICE’s National Law Enforcement Support Center. The BCSC has access to all of ICE’s customs and immigration databases. It provides 24/7 coverage; coordinates and exploits information related to all domestic and international currency seizures; provides assistance to any law enforcement agency involved in a currency seizure; develops and disseminates leads to the field offices; and de-conflicts with other U.S. law enforcement agencies.

FBI’s Rick Salomon agreed with Hook’s statement that terrorist attacks can be financed by small amounts of money. In addition to hawalas and bulk cash operations, Salomon said that newer methods and technologies are areas of concern to the international law enforcement community; these include electronic money, virtual credit cards, money movement via cell phones, and stored value cards/smart cards. Salomon also discussed how Mobile Payments (M-payments) will become more attractive to end users since they provide various benefits to criminals, including: an alternative to the formal banking system; anonymity; fewer expenses than traditional wire transfer systems; the ability to cross international borders; and speed and convenience. Virtual internet computer worlds also provide opportunities to engage in illicit activities. Players of these games can socialize with other users, conduct business, trade virtual goods and currencies, own property, and attend educational functions anonymously. Given these capabilities, it may be also possible to finance and plan terrorist acts, and engage in financial crimes, including money laundering, through the buying and selling of virtual property.

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**SESSION 5B. Arms Trafficking.** *Chaired by Ambassador Florencio Fianza, Special Envoy for Transnational Crime, Office of the President, Government of the Philippines; Scott G. Slavens, Counter-Proliferation Investigations, National Security Investigations Division, ICE Office of Investigations, U.S. Department of Homeland Security; William Kullman, Deputy Chief, International Affairs, U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives, U.S. Department of Justice; Benigno Ottoniel Barraza Martinez, Subdirector General, Criminal Investigation, Guatemalan National Civil Police; Zoila Tatianna Morales Valdizon, Section Chief, Office of the Public Prosecutor of Guatemala; Guadalupe Sepulveda, Acting Assistant Attaché, ICE Guatemala City, U.S. Department of Homeland Security, Perry Tovavaki, Transnational Crimes Unit, Solomon Islands Police.*

**Session moderator Ambassador Fianza of the Philippines pointed out that there are an estimated 640 million light arms in circulation worldwide with 8 million added annually.**

Ambassador Fianza added that the arms trade is an estimated \$50 billion per year industry. Ambassador Fianza noted that many economies in Asia have a high-level of military expenditures, arms procurement, and imports of conventional arms. Among the factors that contributed to a higher demand of arms in the region, Ambassador Fianza noted illegal/unregulated production, weak control measures, and internal conflicts (e.g., protracted insurgencies). In addition to stressing the need for enhanced intelligence, technical assistance, and incorruptible law enforcement agencies, Ambassador Fianza stated that if these challenges went unmet:

*Proliferation of illicit firearms and light weapons in the region [will continue to] become a metaproblem with adverse implications to the socio-political and economic fiber of the society. In the Philippines, Illegal arms trade has fueled insurgency, criminality, political warlordism, banditry, and other forms of criminality.*

Scott G. Slavens, ICE Liaison to the State Department's Directorate of Defense Trade Controls (PM-DDTC), described ICE's counter proliferation mission, legal authorities, and investigations related to arms trafficking. More specifically, Slavens outlined how ICE works with other U.S. and international law enforcement agencies to prevent terrorist groups, sanctioned entities and countries, and illicit procurement networks from illegally obtaining sensitive U.S. technologies and munitions, WMD components, precursors and delivery systems including U.S. military technical data, hardware, small arms defense services, dual-use technical data/source code and commodities. In FY2009, ICE's Counter Proliferation Unit was able to make 312 arrests that resulted in 214 indictments and 169 convictions. Slavens also described Project Shield America, which is an industry outreach project that seeks cooperation from industry in a public/private partnership.

William Kullman described some of the tools available to combat arms trafficking, including international conventions and treaties. He briefed ATF international programs, including ATF's Comprehensive Crime Gun Tracing Initiative and e-TRACE, a web based application that helps trace weapons. E-TRACE provides law enforcement agencies with the capability to securely and electronically send trace requests, receive trace results, and conduct basic trace analysis in real time. According to Kullman, more than 1,900 agencies currently use e-TRACE, including 10

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foreign law enforcement agencies. These participating agencies provide information to international, Federal, State, and local law enforcement agencies on a firearm's history beginning with the manufacturer (or importer), through the distribution chain, to the first retail purchaser.

Benigno Barranza Martinez and Zoila Morales Valdizon described the gun trafficking situation in Guatemala and how that country is addressing its challenges through international cooperation (such as e-TRACE), creation of new agencies, and promulgation of new laws. Guadalupe Sepulveda, ICE Acting Assistant Attaché in Guatemala City, discussed how illicit weapons enter Guatemala and how important it is to create a network to combat arms trafficking networks.

Perry Tovavaki, Transnational Crime Unit leader in the Solomon Islands (SI), described the challenges the SI faces with arms trafficking and how the SI is overcoming the problem. Among his points is that we must **THINK LOCALLY AND ACT GLOBALLY**, and that we must use and participate in networks in order to fight networks.

Ambassador Fianza closed by pointing out that the next step is to get countries to enact export control laws to address transshipment of arms.

**SESSION 6A. Intellectual Property Rights (IPR) Crimes.** *Chaired by Timothy Williams, Director, DOJ/INTERPOL Washington; Ian Quinn, Assistant Special Agent in Charge, Detroit, U.S. Department of Homeland Security; Kang, Yeon-Ho, Deputy Director of Investigation Planning Division, Korea Customs Service; Senior Special Agent Samuel Kwok, ICE Beijing, U.S. Department of Homeland Security; Andrea Sharrin, Deputy Chief, Computer Crime & Intellectual Property Section, U.S. Department of Justice.*

**Andrea Sharrin discussed how organized crime groups increasingly are turning to intellectual property (IP) crimes as a source of revenue.** Sharrin indicated that organized criminal groups control a large proportion of piracy in Asia and other parts of the world and often tap into the same illicit routes and networks associated with human smuggling, drugs, and arms. Sharrin explained that IP crimes had “low risks and high rewards,” such as low entry and manufacturing costs, low penalties (compared to other illicit crimes), and were far more lucrative than trafficking in cocaine or heroin. In addition to briefing on numerous successfully-prosecuted IP law enforcement cases related to counterfeit pharmaceuticals, cigarettes, currencies, pirated DVDs and CDs, and other counterfeit goods and products, Sharrin outlined numerous international initiatives that the United States is involved in with other partners. Sharrin concluded by stating that as we examine IP crimes, we cannot desegregate them from corruption and other illicit activities (narcotics, weapons trafficking, human smuggling, gambling) since criminal networks often tap into the known channels, and a confluence of illicit forces work to significantly impact our economic safety and cyber security.

Ian Quinn presented on the National Intellectual Property Rights (IPR) Coordination Center and its efforts to combat IPR and customs trade fraud crime. The IPR Center is a multi-agency task force led by ICE and includes: CBP, FBI, DOJ CCIPS, U.S. Postal Inspection Service, U.S. Food & Drug Administration, and the Department of Commerce. Quinn noted that the IPR Center is recognized as a “One Stop Shop” for criminal IPR and trade enforcement. In applying each partner agency's unique authorities, the IPR Center provides a comprehensive, coordinated response to IPR and commercial trade crimes. Quinn noted that the IPR Center takes a three-

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pronged approach to combat IPR and Customs Trade Fraud crime: interdiction, investigations, and outreach/training. The IPR Center initiates investigations; prosecutes cases; provides analysis to ongoing investigations generated by both the IPR Center and ICE field offices; coordinates investigative leads among partnering agencies; coordinates multi-jurisdictional investigations involving trade fraud and IPR violations; and conducts undercover operations.

Quinn indicated that ICE works hard to identify and reduce vulnerabilities exploited by individuals and criminal organizations and to dismantle and disrupt criminal organizations and networks through undercover/covert operations, and proactive/reactive investigations. Further, Quinn indicated that in recent years the bulk of IPR crimes had originated mostly from Asia including seizures that related to counterfeit footwear, handbags, pharmaceuticals, apparel, electronics, and other commodities. Among the seized commodities that posed serious safety and security risks were fake medicines, foods (e.g., melamine tainted milk and contaminated juices), toothpastes, perfumes, sunglasses, cigarettes, and other products. Quinn indicated that DHS records showed China as the source for approximately 80% of all IPR infringing goods seized by DHS. Quinn briefed on numerous cases by ICE and IPR seizures **including OPERATION GUARDIAN, OPERATION WEIGHT LOSS, OPERATION HONEY SWITCH, OPERATION PEARLY WHITES and OPERATION APOTHECARY**. Working with its partners and other law enforcement agencies, ICE successfully detained and seized numerous containers of hazardous products, and which also led to the prosecution and convictions of those responsible.

Yeon-Ho Kang discussed the Korea Custom Service's enforcement efforts against IPR crimes and its IPR enforcement achievements. Kang mentioned that the KCS is committed to border security to protect Korea's status as an advanced trading nation and to protect the welfare and safety of its people. Since its creation in 1970, the KCS has been effective in supporting fair trade by controlling smuggling and illicit trade, and remaining vigilant in preventing drugs and WMDs from crossing Korean borders. Kang also discussed how the KCS values public-private partnerships such as its Internet-user Cyber Watchdog and other initiatives. Kang described the usefulness of information exchange programs including one such effort between Korea, Japan and China through the Tripartite IPR Working Group. This group shares law enforcement intelligence on illicit smuggling issues (e.g., counterfeits). Kang also mentioned other cooperative frameworks that KCS has with other jurisdictions that have helped to dismantle illicit networks in Korea.

**SESSION 6B. Child Exploitation Crimes.** *Chaired by* Jon Eyers, Assistant Director, INTERPOL; ICE Representative Paul Moore, ICE Bangkok, U.S. Department of Homeland Security; Police Colonel Yanapong Somabha, Royal Thai Police; Police Colonel Sophon Sarapat, Royal Thai Police; Detective Paul Gillespie (Ret.), President and CEO, Kids Internet Safety Alliance (KINSA).

**Moderator Jon Eyers of INTERPOL made the point that child exploitation is child abuse. It is an abhorrent activity from which organized criminal syndicates make billions of dollars.**

ICE Representative, Paul Moore, ICE Attaché Bangkok, described the situation in Bangkok and gave several case studies. He said that NGOs were critical for saving children from being exploited. Moore underscored the importance of public/private partnerships.

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Col. Yanapong Somabha of the Royal Thai Police also described the situation in Thailand, including the unique social and economic pressures that contribute to child exploitation in the region. He described what Thailand is doing to fight child exploitation and presented case studies that emphasized how essential international cooperation and coordination is to combat this crime.

Det. Paul Gillespie (Ret.) (Canada) of the Kids Internet Safety Alliance showed how international cooperation, information sharing, training, and capacity building is essential to combating international child exploitation. Gillespie pointed out that child exploitation and other internet based crimes are outstripping law enforcement's IT abilities to combat them. Gillespie emphasized that our response to the threat has been largely inadequate.

### November 12, 2009: Day 3 Sessions - Discussion

**SESSION 7. Denying Safe Havens: Targeting High-Level Corruption and Illicit Financial Nodes.**  
*Chaired by* Ambassador Jane Becker, Senior Advisor, Bureau of International Narcotics and Law Enforcement Affairs, U.S. Department of State; Frederick Lord, Assistant Director for the Anti-Corruption Sub-Directorate, INTERPOL; Deborah Morrissey, ICE Office of Investigations, Cornerstone Group, U.S. Department of Homeland Security; Raymond So, Principal Investigator, Independent Commission Against Corruption, Hong Kong.

**Ambassador Jane Becker articulated why anticorruption needs to be an important area of focus and cooperation in jurisdictions across the Pacific, since it enables crime and creates an environment where kleptocrats, organized criminal groups, criminal insurgencies, and terrorists can operate.** In projecting the impact of corruption on the world economy, Ambassador Becker said that according to 2007 World Bank estimates, the annual cost of corruption to the global economy was over \$1 trillion in bribes alone. Moreover, she indicated that hundreds of millions are embezzled by kleptocrats every year around the world. Rather than investing those assets in their economies, kleptocrats are robbing their citizens of the uses for which these funds were intended – education, healthcare, infrastructure modernization, etc. Echoing sentiments by others at the symposium, Ambassador Becker underscored the destabilizing impact of corruption on political structures, internal stability and national security.

Ambassador Becker described the actions the United States has taken to combat global kleptocracies over the years, including Presidential Proclamation 7750 (PP7750). PP7750 is designed to deny safe haven to suspected kleptocrats, those who corrupt them, and their illicitly-acquired assets. Ambassador Becker outlined the extraordinary measures contained in PP7750. Specifically, it prevents past and present foreign officials whose corrupt practices had "serious

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adverse effects on the international economic activity of U.S. businesses, U.S. foreign assistance goals, the security of the United States against transnational crime and terrorism, or the stability of democratic institutions and nations” from entering the United States. She indicated that a high number of senior corrupt public officials and their family members had been denied entry into the United States under PP7750 and other authorities of the Immigration and Naturalization Act (INA). She concluded by citing one of the 9-11 Commission Report’s criticisms of U.S. national security and its “lack of imagination” and challenged delegates to look at their domestic legal frameworks and existing law enforcement tools to develop innovative ways of working collaboratively to combat and target these threats.

Deborah Morrisey discussed the mission and responsibilities of ICE’s Foreign Public Corruption Task Force to target and prosecute corrupt foreign public officials that have utilized the United States’ financial institutions to perpetrate criminal acts involving money laundering and fraud. She also discussed its mission to develop evidence of criminal activity and conduct investigations that will successfully identify, seize, forfeit, and repatriate funds traceable to fraud, embezzlement, and public corruption in foreign countries. The public officials, or politically-exposed persons, that ICE pursues under money laundering statutes, the Patriot Act, and other legal authorities include:

- Heads of state, government and cabinet ministers
- Functionaries in nationalized industries and government administration
- Senior judges
- Senior party functionaries
- Senior and/or influential officials, functionaries, military leaders, and people with similar functions in international or supranational organizations
- Members of ruling royal families
- Senior and/or influential representatives of religious organizations (if these functions are connected with political, judicial, military or administrative responsibilities)

Morrisey noted that to address the increase in criminal referrals from Central and South American and Caribbean governments seeking U.S. assistance, an ICE initiative based out of Miami, Florida (comprised of ICE’s Foreign Political Corruption Investigations Group and Asset Identification and Removal Group (AIRG)) has been working with numerous law enforcement agencies to identify, locate, and seize assets of corrupt government officials involved in the theft and embezzlement of foreign government funds. Morrisey highlighted that ICE utilizes a strategy of employing U.S. laws in conjunction with foreign violations to find the best venue for prosecutions and to identify any vulnerabilities exposed within the U.S. to launder the criminal proceeds. In addition to providing brief summaries on numerous operations and cases, Morrisey concluded that the initiative has been so successful that ICE has broadened its focus worldwide.

Principal Investigator Raymond So, Hong Kong Independent Commission Against Corruption (ICAC), detailed corruption trends in Hong Kong, along with anti-corruption case examples and success factors. Investigator So indicated that after 35 years in existence, from 1974 through

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2008, corruption reports on the government sector had significantly declined as a result of the creation of the ICAC. The ICAC achieved this tremendous success by combining law enforcement, corruption prevention, and community education on a focused effort to address crime syndicates that once operated with impunity. Investigator So contrasted the decline in corruption reports on the government sector with an increase in corruption reports on the private sector, for which the ICAC is also addressing through aggressive investigation.

Investigator So provided several case examples to illustrate the investigations conducted by the ICAC. The first example focused on a directorate level government official who was responsible for managing, leasing, and selling of former military sites and government quarters. The subsequent ICAC investigation revealed that the official had failed to declare conflicts of interest with companies controlled by a closed relative, which was considered willful misconduct by omission. The official then permitted the companies to be selected in a pre-qualification process even though they did not have the requisite qualifications. As a result the companies were awarded two contracts worth a total of HK\$143 million. The government official was convicted and sentenced to 30 months imprisonment. So also discussed other corruption ICAC investigations that were successfully prosecuted.

Investigator So closed his presentation by discussing success factors, based on ICAC's experience, for an anti-corruption organization. These factors are broad and necessary to address systemic corruption and include: independence, professionalism, integrity, powers of investigation, resources, image and the public perception of the organization's effectiveness, and public and international support.

Fred Lord presented on denying safe haven and targeting high-level corruption from an INTERPOL perspective, describing the various INTERPOL tools and support functions that assist in tackling this crime. Lord also talked about INTERPOL's "Need to Share" principle to effectively engage this phenomenon through increased international law enforcement agency cooperation and sharing of financial and corruption intelligence. The goal of INTERPOL's anti-corruption and public integrity work is to initiate a paradigm shift in the way anti-corruption support capabilities are centralized and effectively deployed to enhance countries' efforts in developing their own anti-corruption agencies. Lord indicated that this is achieved through capacity building and strategy development meant to encourage public integrity and to foster accountability, transparency, and public participation in the fight against high-level corruption.

INTERPOL's presentation showcased how a multidisciplinary corruption evaluation team examined a significant homicide of a high level public servant and financial analyst for a non-governmental organization in Burundi. This individual was involved in high level investigations against high profile government officials. Lord mentioned that the anticorruption team maintained a watching brief on this issue and a number of persons have recently been arrested. INTERPOL has assisted the Burundi authorities with the issuance of an INTERPOL Red Notice for another person wanted in relation to this homicide. Other similar homicides have recently been identified in countries such as Liberia and Uzbekistan, and Lord stressed that any effective strategy must be developed to provide support to anti-corruption specialists involved with investigating high level corruption.

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*As was underscored by A/S Alikhan during the opening plenary, and reinforced by Lord, many law enforcement officials, as well as anti-crime and anti-corruption champions, suffer threats, physical abuse or torture, or even lose their lives due to their efforts to uphold justice and safeguard integrity. Interventions during this session called on the international community to provide enhanced assistance to strengthen anticorruption and law enforcement authorities on the front-lines, to act swiftly and decisively to bring attention to this issue, act concertedly in individual instances, and end impunity. Participants also noted the importance of governments to protect public servants and whistleblowers alike who are investigating and prosecuting crimes and illicit networks.*

**SESSION 8. Successful Collaborative Investigations: Case Studies.** *Chaired by* Bob Harriman, Chief Superintendent, Deputy Criminal Operations Officer, Federal Policing, Pacific Region, Royal Canadian Mounted Police (RCMP); Frank Okamura, Assistant Attaché, ICE Tokyo, U.S. Department of Homeland Security; Tatsuya Toyama, Superintendent, National Police Agency of Japan; Colonel Petrus Golose, Indonesian National Police.

Frank Okamura and Tatsuya Toyama presented on the threats posed by the Japanese Yakuza across Asia and in the United States. The Yakuza is one of the largest organized crime groups in the world. While the Yakuza initially engaged in numerous trafficking crimes (drugs, prostitution, guns), they have recently demonstrated increased sophistication and are now active in the financial and banking sectors of Japan, if not the corporate world. As noted by U.S. Attorney Nakakuni in the opening session, the Yakuza have strong ties to Hawaii and the West Coast of the United States. Petrus Golose briefed on the Indonesian National Police's joint efforts with numerous law enforcement agencies to dismantle a child pornography internet network and shut down numerous websites.

**ROUNDTABLE: Strengthening International Cooperation and Partnerships to Combat Transnational Threats.** *Chaired by* David M. Luna, Director, Anticrime Programs Division, Bureau of International Narcotics and Law Enforcement Affairs, U.S. Department of State; Matthew King, Deputy Assistant Director, Programs, ICE Office of International Affairs, U.S. Department of Homeland Security; Bill Perry, Group Manager, Investigations and Response, New Zealand Customs Service; John Lee, Senior Superintendent, Drug Investigation Bureau, Hong Kong Customs and Excise Department.

**David Luna led a plenary discussion that examined options available for international law enforcement to better combat the converging threats and emerging trends discussed throughout the symposium. These included both strategic and operational tools, information sharing systems, and strengthened partnerships.** Luna informed delegates that earlier in the day, APEC economies at their Summit in Singapore had agreed to continue to make the issue of dismantling transnational and illicit networks a priority in their overall work program. Luna mentioned that it was important to leverage the recent political commitments made by APEC, the OAS, ASEAN, and the G8/G20 to combat transnational crime by strengthening cooperation in key areas to dismantle illicit networks.

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Luna also highlighted that any inter-regional cooperative network must not only examine the universe of illicit threats to build a panoramic system of the known criminal activities, routes, and networks but also must develop cooperative approaches necessary to exploit existing organized crime (OC) nerve centers and their illicit operations:

*Similar to how a neural system operates in processing information, we need all possible neurons firing at the same time and communicating with each other and bringing order and clarity in a well-functioning synaptic circuit. By working collectively to frame a better understanding of the illicit environment across the Pacific – through a more comprehensive intelligence system and heightened law enforcement consciousness of related threats – we can coordinate more effectively across borders and undertake neutrally-driven “synaptic” responses to prosecute and dismantle transnational illicit networks.*

ICE Deputy Assistant Director Matthew King spoke about the importance of collaboration at all levels and the significance of leveraging relationships beyond conference attendance. He noted that regardless of geographic location, law enforcement agencies confront many of the same challenges when combating similar crimes. King stressed that it is imperative to collaborate to combat these threats:

*We must maximize our often limited resources and work smarter and with greater agility within our established boundaries (versus criminals that operate without boundaries and impunity), to address these ever increasing threats. Through strengthened relationships and collaboration we can take our strengths and overcome our weakness to create a level playing field against these criminal enterprises that impact us all.*

King noted that the Symposium participants agreed that what happens locally has an impact globally. He cited ICE’s **OPERATION TIEN CAN** as an example of good international cooperation, where investigators in the U.S., Canada and Vietnam were able to build upon one another’s efforts to arrest more violators, seize more assets, and include more international partners in order to effectively and decisively dismantle the organization. King also underscored the importance of leveraging relationships beyond mere conference attendance:

*Many key relationships are developed through attendance at events such as this Symposium. In addition to the timely and useful information garnered, the relationships developed must be exploited. Participants were challenged to engage with one another post Symposium and to leverage the relationships and opportunities gained to develop a bold, comprehensive, multilateral and multi-pronged*

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*approach, using integrated information and methods—to take our collective abilities and move forward locally, regionally, and globally to form a network against crime.*

King concluded his remarks by underscoring the global reach of criminal networks and the options to defeat them:

*These tasks won't be easy but using each of our abilities and tools, combined with what we've learned here and the relationships developed is a good start. We need to examine what has worked in the past, where we have seen success, enhance and update these methods to address updates and keep pace with our ever-changing technology.*

Bill Perry highlighted the New Zealand Customs Service's efforts to strengthen law enforcement cooperation, liaison tools, best practices, information exchanges, and partnerships. Among the challenges and opportunities that Perry stated for jurisdictions to consider:

- Secure communication systems (e.g. WCO Customs Enforcement Network (CEN))
- Opportunities for greater interoperability
- Regular exchanges (officers, symposiums, technology, etc)
- Joint assessments on common risks
- Joint targeting exercises
- Regional and international taskforces
- Facilities offered by regional bodies for coordination
- De-briefs of witnesses/arrested offenders/CHIS

John Lee discussed how the Hong Kong Customs and Excise Department's Drug Investigation Bureau cooperates with other jurisdictions utilizing information exchanges and communications channels such as CEN and the Drug Seizure Immediate Notification System (DSIN). Lee discussed how Hong Kong cooperates with other law enforcement agencies to combat transnational smuggling networks across the Pacific and globally. Lee also stressed the importance of public-private partnerships and how these synergies can become a force multiplier. According to Lee, the factors that were important for strengthening international cooperation are:

- Well-established legal framework and cooperative arrangement
- Extensive networking with LEAs
- Trust and confidence between LEAs
- Timeliness of information exchange/controlled delivery operation
- Cooperation with industry partners
- Ownership of the problem

Day 3 Plenary Speeches

Nick Lewis, Liaison Officer, Serious Organised Crime Agency (SOCA), British Embassy, Washington D.C. discussed the United Kingdom's approach to fighting 21<sup>st</sup> Century international organized crime and illicit networks. Emphasizing how we all want to win the fight against transnational organized crime, Lewis indicated that "to stop organized crime from flourishing, and from causing the death, harm and misery which infests our communities - our greatest strength is a willingness to work together towards the same end game."

Lewis outlined four elements, based on SOCA's experience, that are common for illicit networks to be successful:

*The first element is logistics. Illicit networks need Logistics Teams to be able to move their commodity from A to B. Whether the commodity is drugs, people, money, guns or even images and email, illicit networks need to be able to move them around the world to achieve their aims. This often involves complicated and lengthy journeys, across many countries. They need to move people, commodity and money. Logistics providers need to bribe and corrupt public officials, and to recruit drivers, pilots and other specialists. They need to source and supply vehicles, accommodation, passports and weapons. They are a vitally important component of any illicit network and successful disruption of their activities can and will have a disproportionate effect on the crime groups themselves.*

*The second element is Communications. Criminals must be able to communicate with each other, and with their customers. They can only do this in a limited number of ways – face to face; through third parties; in writing; by phone or radio; or by email or similar technology. As more and more commodities travel around the world, and the logistics are delivered by more and more distant contractors, the principals' reliance on communications increases, and this presents us with the best opportunity to disrupt. Deny the criminals their communications, and their enterprise grinds to an expensive halt.*

*The third element is Profit. Organized crime generates obscene amounts of money. Much of this needs to be physically moved across continents, laundered through the banking system and turned into outwardly respectable earnings before it can be spent. This requires corrupt professionals – lawyers, accountants and real estate agents as well as bank officials, border guards and customs officers. It is widely acknowledged that taking the money from criminals, whether that is after conviction, or by interdiction somewhere in the chain, has the greatest impact on them.*

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*The fourth is Opportunity. Sometimes criminals exploit an existing opportunity to commit crime, but we see more and more evidence that they actually create the opportunity in the same way that a drug dealer creates demand. They will migrate to new countries to exploit the lack of legislation, poorly coordinated law enforcement, or easily corruptible governments, or to take advantage of geographical location. They will research and exploit changing technology to their advantage – witness the massive increase in scam letters circulated by email compared to a few years ago when they were all hand-written. Let us not forget that these are entrepreneurs, resourceful and enterprising individuals always on the look out for a new way of making money.*

Lewis concluded by underscoring how a new type of response was necessary, one which is as dynamic and forward thinking as the criminals themselves:

*The impact of organized crime is felt across whole governments, and the response must reflect a whole government response, not one which is confined to law enforcement alone.*

**Lewis outlined some further suggestions to deny organized criminal organizations the opportunity to thrive or to contest the space in which their networks operate:**

- *any response must be a whole government response;*
- *bring legislative and regulatory frameworks as close together as possible, and remove the opportunity for criminals to exploit differences in each other's prosecution regimes, or our extradition treaties;*
- *involve the commercial and private sectors in our fight. The planes, boats and lorries; phones, GPS systems and guns are all manufactured, sold and maintained by commercial enterprises. "How long should we tolerate them burying their heads in the sand and pretending they bear no responsibility for how their products are abused?"*
- *counter-corruption efforts must be maintained and increased, and we must develop trusted international relationships so that we can have confidence that shared intelligence will be acted upon, not leaked or sold. We should extend our reach beyond poorly paid low level officials, and identify and root out institutional corruption, and target those professionals whose services are essential to the illicit networks;*
- *At the very heart of every successful partnership must be trust. . . .we must learn to trust our chosen partners, and trust each other. This is particularly true in the context of dismantling illicit transnational networks – "we must by definition engage international partners. We must trust them to do their jobs properly, and*

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*to resist the temptation to believe that any one of us is the only one who can be trusted to get it right;*

- *keep up our tactical effort, joining forces across regional and international boundaries to present a unified force, one which will be seen as a threat by the criminals, and one which will deny safe havens or protection.*

Lewis concluded by stating that “our greatest strength is a willingness to work together towards the same end game. Let us begin to define that end game, to accept that none of us can do it alone, and that the whole of our collective effort can be so much more than the sum of all its parts.”

Captain Ricardo Hurtado provided a strategic assessment of how the Colombian cartels are becoming more creative and adopting asymmetrical approaches in moving drugs across the Pacific and Atlantic. Hurtado provided UNODC data on Colombia’s illicit crops from 1999-2008 and land, maritime, and air drug routes out of Colombia. Hurtado also discussed the latest law enforcement efforts by Colombian authorities against the increasing sophistication of the cartels’ utilization of Go-Fast Boats, liner and coastal vessels with containers, liquid cocaine, and semi-submersibles to trans-ship cocaine across the Caribbean, Pacific, Central America, and other regions. Hurtado underscored the importance of international cooperation to combat transnational illicit threats, and given the limited resources of each jurisdiction, it was important to leverage all possible assets and capabilities to combat threats that endanger the security of many nations.

### Closing Plenary Remarks

Raymond R. Parmer, Jr., Director of the ICE Office of International Affairs expressed his hope that the symposium was the first in a recurring series of transnational conversations. Parmer encouraged the participants to seize the momentum from Honolulu and leverage it:

*to defeat an ever-resourceful enemy... an enemy that spends every hour of every day seeking ways to defeat us... and shall if we don't work together. . . . the only way we can prevail is through a unified multilateral effort. As representatives of the international law enforcement community, we need to build on the symposium's success by developing and strengthening informal and formal partnerships, committing to future collaborative efforts, and by pursuing bilateral and multilateral enforcement actions.*

By sharing best practices, practical information, and new ideas at meetings of international organizations and symposiums like the one in Honolulu, law enforcement and security officials can proactively and effectively challenge illicit networks, especially as they become more complex and employ increasingly sophisticated techniques to conceal their activities. Director Parmer further stated that as international partners, groups need to leverage cooperative frameworks,

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communication methods and political will such as those found in the G8, OAS, APEC, ASEAN, and others to remain one step ahead of criminal elements. These institutional frameworks and cultivated relationships provide the law enforcement community with an unparalleled opportunity to develop and sustain productive partnerships. Despite such political will, however, challenges remain:

*We have spent time this week discussing current and emerging threats, but we must stay vigilant as new threats become known. Developing and maintaining close ties will equip our respective agencies with the ability to identify potential issues before they cross borders or threaten international security. By working together to formulate new strategies and techniques, and by emphasizing the need to increase information sharing, we can balance the need to safeguard our critical infrastructures with ensuring the continued flow of global commerce.*

Director Parmer indicated that the symposium had successfully achieved many of the goals that were set at its onset:

- Representatives from across the Pacific met and shared best practices, and high-level discussions provided participants with opportunities to enhance cooperation on investigations and intelligence sharing;
- Experts in arms trafficking, corruption, human smuggling and trafficking, money laundering, and drug smuggling provided in-depth information on their areas of expertise, allowing the group as a whole to benefit from their experiences;
- Participants strengthened existing partnerships and relationships, and established new ones;
- Foundations were developed upon which bilateral and multilateral connections can be further developed;

Director Parmer further noted that the symposium proved to be a distinctive, unique forum, unlike any others currently in existence and encouraged participants to leverage the benefit of such a symposium and not squander such an opportunity. He also encouraged participants to redouble their efforts and commit themselves to strengthening connections while working to overcome the challenges.

Director Parmer concluded by indicating that the group needed to identify and take advantage of all opportunities for cooperation in investigations and intelligence sharing, sustain the trans-Pacific law enforcement policy dialogue, and establish informal, interregional networks to ensure further communication and cooperation.

**The Way Forward: Fighting Networks with Networks**

1. **Combating the Illicit Trade and Networks:** The threat posed by illicit networks across the Pacific is increasingly more dangerous, directly harms communities and the safety and health of citizens, and is becoming more complex with sophisticated illicit routes and elaborate schemes to evade detection, especially with advances in technologies. (Semi-submersibles, planes, tunnels, cyber space, transnational alliances becoming problematic) In addition to the destructive nature of drugs and narco-trafficking to economies across the Pacific, the staggering volume of the illicit trade – including the increasing importation in many economies of substandard goods containing hazardous/carcinogenic materials, tainted counterfeits, contaminated food products, and fake medicines – poses significant health and safety risks to all consumers. Environmental crimes and those related to the extraction of natural resources can have not only long-term ecological and environmental impacts but can contribute to creating insecurity and instability in many parts of the world.
2. **Utilize Strategic Leadership:** We cannot be afraid to try new ideas, to take bold steps, to sometimes venture outside of our comfort zones. (Noble) Numerous examples and cases were cited on bold leadership including joint investigations and prosecutions that made a difference in several jurisdictions in combating and dismantling illicit networks.
3. **Anticipate New Trends on Threat Convergence:** Strategically examine converging threats and illicit routes, nodes, and synergies among illicit networks. Mapping is critical (bi-directional east/west and north/south cross-border crimes) to strengthen intelligence-led policing and to coordinate across jurisdictions and regions.
4. **Promote Data and Research for Real Public-Private Partnerships:** Challenge research institutions, academia, and private sector to increase data collections and obtain a greater understanding of threat convergence of transnational illicit networks (criminal organizations, gangs, terrorists), illicit routes, and their methods of operations.
5. **Strengthen Intelligence Capabilities/Surveillance** (e.g., identify gaps and obstacles) and intelligence-sharing arrangements to identify, disrupt and dismantle illicit networks; and identify criminal network vulnerabilities and law enforcement opportunities to exploit these vulnerabilities.
6. **Acknowledge that Crime Prevention is Terrorism Prevention:** Concerns about the global fight against terrorism has downgraded international organized crime as a top priority.

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Jurisdictions should NOT desegregate the battle against transnational crime from terrorism. Many of the same anti-crime approaches and tools are key for combating terrorist cells and networks. To make progress on terrorism and other illicit threats, we must dismantle the illicit architecture that not only enables the financing of terror, facilitation of international terrorist travel and other criminal enterprises, but allows organized criminal groups to thrive and evade law enforcement. Anticorruption, counterterrorist financing, anti-money laundering, border security, and other law enforcement tools can help expose illicit networks and identify their support networks. Anti-crime efforts can help us make inroads against the illicit trade, illicit nodes and terrorist cells, including enhancing intelligence collection that helps in the dismantlement of both criminal and terrorist networks.

7. **Leverage Transnational Crime Units (TCUs) and other Force Multipliers:** Leverage Pacific Transnational Crime Network, Joint interagency and regional task forces, TCUs and IOC-2; exploit weak points and vulnerabilities of illicit networks and use actionable intelligence; and develop innovative law enforcement and security approaches, non-criminal sanctions, techniques, and synaptic responses.
8. **Internationalize the Fight Against Transnational Illicit Threats and Promote Inter-regional Approaches:** Many participants noted how international cooperation made a difference to combat cartels, organized criminal groups, and terrorist organizations. Strengthen engagement, synergies, and international cooperation with key multilateral and regional organizations including APEC, ASEAN, OAS, INTERPOL, United Nations, APG/FATF; promote and ensure implementation of the UNTOC and UNCAC, and other multilateral and regional mechanisms to combat transnational crime and promote mutual legal assistance, asset recovery, and extradition; and promote more trans-Pacific and trans-Atlantic partnerships (fight networks with networks).
9. **Promote and Implement Public-Private Partnerships:** Mobilize the private and commercial sectors and develop effective PPPs including with the business community, media, academia and community watchdog/non-governmental organizations; and promote best practices on partnerships with private sector.
10. **Follow the Money:** Combat money-laundering and deny criminals access to financial institutions; strengthen international cooperation to seize assets; make illicit finance and financial crime a priority (e.g., e-currency, digital funds, mobile payments technologies); and target financial providers, casinos and nerve units that facilitate organized crime.
11. **Combat Corruption and Deny Safe Havens:** Enforce anticorruption laws, professionalize law enforcement bodies to combat corruption internally (institutionally) and externally

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(cross-sector); implement the UNCAC; and deny visas to kleptocrats, high-value illicit actors, and their families.

12. **Combat Cybercrime and Prevent Criminal Exploitation and Abuse of Technology**, including internet and cyber technologies; targeting virtual worlds and avatars.
13. **Take a Whole of Government/Full Spectrum Approach**: Optimize full range of authorities, capacities, and tools and strengthen and improve coordination among jurisdictions and law enforcement agencies; develop best practices and continued specialized training workshops on prevention, investigation and prosecution of transnational organized criminal groups and corrupt public officials; and better utilize the UNTOC and UNCAC to strengthen international cooperation.
14. **Devise and Adopt Public Awareness Campaigns on the Illicit Trade and Transnational Crime**: Promote regionally the cost of organized crime and corruption to citizens and communities and their impact on open markets, social and economic development efforts, democracy; demonstrate a clearer direct harm to the health and safety of people posed by the illicit trade (esp. counterfeit medicines, contaminated foods and tainted products); strengthen the political will for more commitment to responsible governance and market integrity; and support investigative journalists and other media actors to play an important role in anticorruption and anticrime campaigns.
15. **Trans-Pacific Law Enforcement Network**: Encourage the development of a regional law enforcement network (Fighting Networks with Networks) building on views that emanated from the Symposium that international and inter-regional partnerships are absolutely critical in a time of truly global crime; and enhance and deepen inter-regional communications, cooperation, coordination, and joint cases (cross-border crimes).
16. **Follow-up Symposium in 2011**: Develop a formal Trans-Pacific Network and synchronize efforts with trans-Atlantic jurisdictions.

